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the World of Opportunities*

STARTING YOUR BUSINESS IN WASHINGTON, DC

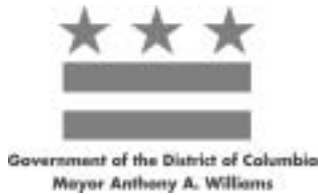
*A step-by-step guide to doing business
in the District of Columbia*



Washington, DC Marketing Center
Georgia Avenue Business Resource Center



Public Sector Partner



The vision for the District is a simple vision: our citizens deserve the best city in America.

- * Strong schools, safe streets, clean communities, affordable housing, and reliable transportation;
- * Quality health care access for all people, especially our senior citizens and children;
- * A wealth of social and cultural growth opportunities;
- * Vibrant economies downtown and in the neighborhoods;
- * True inclusion, a seat at the table for all;
- * Taking advantage of the District's unique assets – tourism that is second to none, unique partnerships with federal agencies, a strong regional economy that lacks only a vital urban center; and
- * Empowering men, women, and children of all communities to solve problems together. Coming together, working together, succeeding together.

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WASHINGTON, DC

Whether you seek urban convenience with world-class amenities or an international city with multicultural neighborhoods, Washington offers a prestigious environment with unparalleled business opportunities.

Come experience the world of opportunities!



INTRODUCTION

Thank you for choosing to locate your business in Washington, DC, a world-class capital city that offers unparalleled opportunities to businesses and organizations, large and small. We are proud of the city's improved image and what it has to offer.

This resource guide, which covers the key steps of starting a business in the District of Columbia, is a product of collaborative efforts between the Washington, DC Marketing Center, a non-profit economic development agency for DC, and the Georgia Avenue Business Resource Center, an initiative of the DC Chamber of Commerce. From this guide, you should have a clear picture of:

- Factors to consider to start a business
- Procedures involved in registering your business and obtaining licenses and permits
- Ways to secure funding for your business
- Types of business incentives available
- Business support resources for start-up and existing businesses

This guide focuses exclusively on starting a business in the city of Washington, DC and the resources and programs in the city. Written for you, the busy entrepreneur in the nation's capital or a business desiring to relocate here, this guide should reduce your anxiety and help you navigate through the most basic steps involved in starting a business in DC.

About the Washington, DC Marketing Center

The Washington, DC Marketing Center is a non-profit, public/private partnership dedicated to promoting business opportunities throughout the District and contributing to business retention and attraction activities. As a first point-of-contact for District businesses and businesses interested in Washington, the Marketing Center provides resources ranging from demographics and information on government incentives to relocation assistance.





Starting Your Business in Washington, DC is a publication of the Washington, DC Marketing Center, produced in conjunction with the Georgia Avenue Business Resource Center. This document is intended to serve as a guide to starting a business in Washington, DC. It is not intended to supplant legal or financial advice. Although every attempt was made to ensure the quality of the information contained in this document, the Washington, DC Marketing Center makes no warranty or guarantee as to its accuracy, completeness or usefulness for any given purpose.

This document was produced with substantial contributions from Telekah Brooks, Chris Knudson, Lily Qi and Michael Stevens.

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- Business Location

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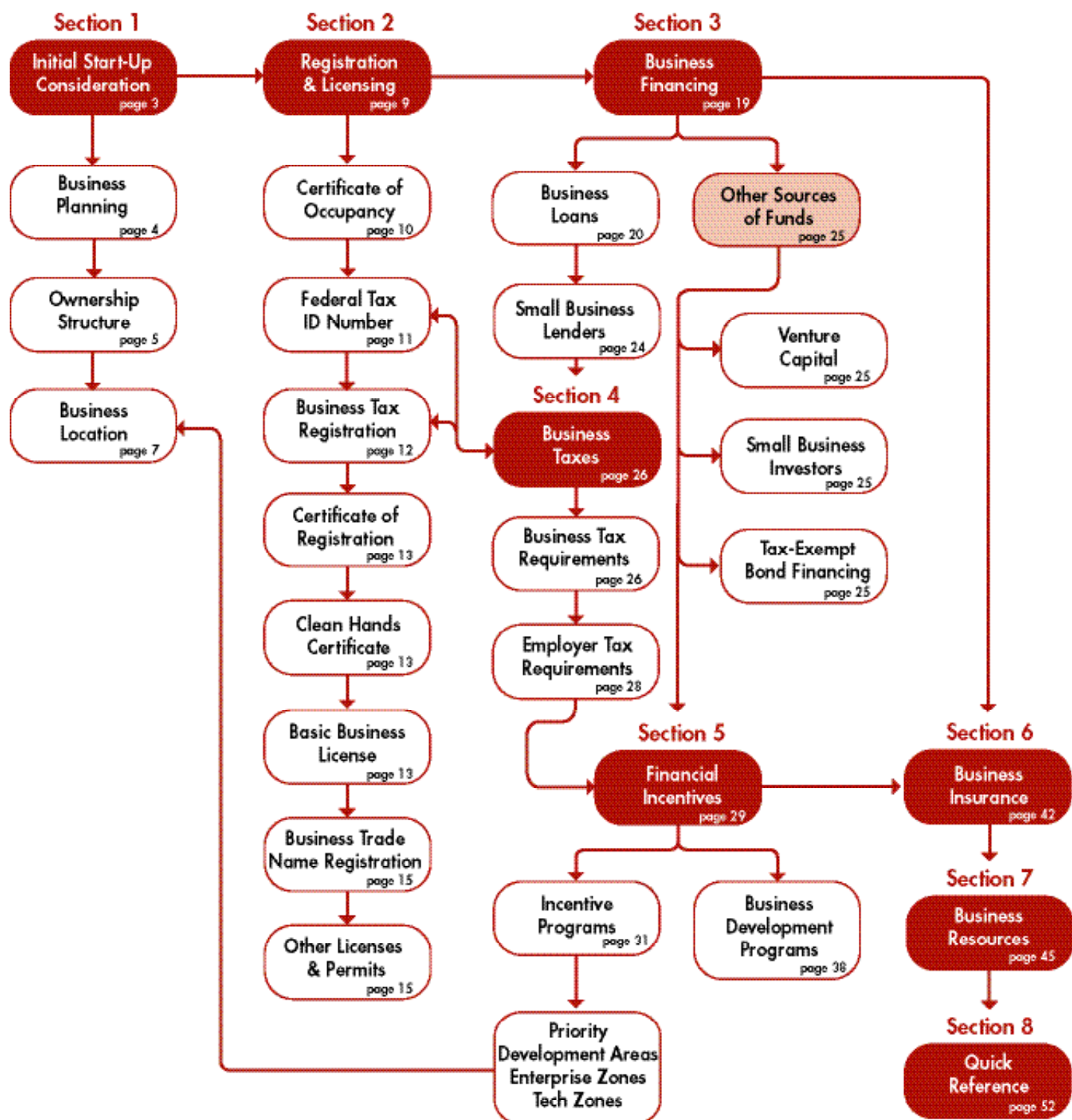
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Initial Start-Up Considerations

OVERVIEW OF STARTING YOUR BUSINESS

Whether you are starting a new business or relocating an existing one, you will need to know what is required for you to operate in the District of Columbia. If this is your first business venture, there are a number of factors that you need to consider and this guide will take you through the basic steps of starting a business in Washington, DC.

In addition to the resources that we have listed throughout the guide, many businesses seek outside expertise from attorneys and accountants in order to keep them on track and help them with their specific circumstances.



Section 1

Initial Start-Up Consideration

Business Planning

Ownership Structure

Business Location

Business Planning

BUSINESS PLANNING

Developing a business plan is crucial to business success. A well-written business plan can not only help secure the funding for your business, but can also market your products or services or line up strategic partners. While there are different ways of writing a business plan, some essential components should be included in a successful business plan.

Essential Components of a Business Plan

The three main sections to any business plan are:

Description of Business

This section should contain the “who, what, when, where, why and how” of your business. Some relevant points include where your business is located, what your products and services are, who works on your staff, what is the management structure, what your personnel and employment policies are, and other general information about your business.

Marketing

This section should include demographic information about your customers, how you plan to reach them, the timing of your market entry, your marketing budget and your advertising plan.

Financial

This is where your balance sheets, cash flow projections, income statements and break-even analysis are located. You will articulate all of your expenses and revenues by month and by year for a five-year time period.

Additionally, business plans generally include a cover sheet and an executive summary that provides an overview of your entire plan.

Initial Start-up Considerations

OWNERSHIP STRUCTURE

As you begin planning, you will need to consider the ownership structure of your business. Your business ownership structure will not only define who owns the business, but also will determine who controls it, who assumes liability, how profits are divided and how your business will be taxed.

The list below represents six common business types. There are, however, many ways to set up a business, and each business is subject to its own unique tax situation. You should consult with a qualified tax professional and a lawyer to determine the appropriate structure for your business. For more information on corporate ownership structures in the District of Columbia, visit the District's online Business Resource Center at www.brc.dc.gov.

Ownership
Structure

Online Resources

brc.dc.gov

Comparison of Ownership Structures

Business Type	Liability	Management & Control	Ease of Set Up	Taxation
Sole Proprietorship	<ul style="list-style-type: none">• Total & unlimited• Can take personal assets to resolve debts	<ul style="list-style-type: none">• Total control	<ul style="list-style-type: none">• Very easy to set up and maintain	<ul style="list-style-type: none">• Profits are personally taxed to owner• Offers few tax benefits
General Partnership	<ul style="list-style-type: none">• Total & unlimited liability for each partner• Can take personal assets from each partner to resolve debts	<ul style="list-style-type: none">• Split between partners	<ul style="list-style-type: none">• Very easy to set up and maintain	<ul style="list-style-type: none">• Profits are personally taxed to partners based on percentage of ownership• Can claim on personal taxes
Limited Partnership	<ul style="list-style-type: none">• Limited partners are liable for their business investment• General partners are personally liable	<ul style="list-style-type: none">• General partners have management control• Limited partners have no management control	<ul style="list-style-type: none">• Easy to set up and maintain	<ul style="list-style-type: none">• Profits are personally taxed to partners based on percentage of ownership• Can claim on personal taxes
S Corporation	<ul style="list-style-type: none">• Board and officers have very little limited personal liability	<ul style="list-style-type: none">• Board sets policy and controls president• Officers conduct day-to-day operations	<ul style="list-style-type: none">• To qualify a business must meet certain IRS requirements• Cumbersome process	<ul style="list-style-type: none">• Profits are personally taxed to partners based on percentage of ownership• Shareholders taxed on dividends
C Corporation	<ul style="list-style-type: none">• Limited liability, but not total protection from lawsuits• Shields personal liability of owners	<ul style="list-style-type: none">• Shareholders, directors & officers run the business• Directors generally set policies	<ul style="list-style-type: none">• The most complex type of business structure• Subject to stricter government control than other types of businesses	<ul style="list-style-type: none">• Corporate earnings are subject to "double-taxation" when corporations are taxed and shareholders receive dividends• Some additional tax benefits
Limited Liability Company (LLC)	<ul style="list-style-type: none">• Owners risk only their investment• Personal assets not at risk	<ul style="list-style-type: none">• Owners manage and control business• Can be run by one person	<ul style="list-style-type: none">• Easier to set up and maintain than a corporation• More complicated than a partnership or sole proprietorship	<ul style="list-style-type: none">• Corporation is taxed on earnings• Owners only taxed on income taken out of business• Some additional tax benefits
Limited Liability Partnership (LLP)	<ul style="list-style-type: none">• Partners liability are protected for uninvolved partner in malpractice	<ul style="list-style-type: none">• General partners have management control	<ul style="list-style-type: none">• Easy to set up and maintain	<ul style="list-style-type: none">• Profits are personally taxed to partners based on percentage of ownership• Can claim on personal taxes

Online Resources

sba.gov/dc

scoredc.org

www.bschool.howard.edu/SBDC

brc.dc.gov/gabrc

does.dc.gov

Assistance for Business Planning

If you would like to work with an experienced counselor to help develop your business plan, we recommend that you contact one of several resource centers in the District. These resource centers provide comprehensive business start-up assistance including business planning and marketing.

Small Business Administration

The U.S. Small Business Administration (www.sba.gov/dc) is a federal agency devoted to helping small businesses. It has both resource centers and counselors to assist you with starting and growing your business. The SBA's Service Corps of Retired Executives (SCORE) (www.scoredc.org) counselors can provide mentoring, training and advice for both start-ups and existing businesses. You can reach the District office of SCORE at (202) 606-4000 x287.

Small Business Development Center

The DC Small Business Development Center (DCSBDC) Network provides business counseling and marketing resources. The lead center can be reached at (202) 806-1550 or online at www.bschool.howard.edu/SBDC.

Georgia Avenue Business Resource Center

The Georgia Avenue Business Resource Center provides technical assistance to small business owners, including business and marketing planning, and facilitates access to capital. Please call (202) 545-0220 to make an appointment, or you may visit them online at www.brc.dc.gov/gabrc.

Minority Business Resource Center

The National Community Reinvestment Coalition (NCRC) assists small and minority business owners to start and expand their businesses. The Minority Business Resource Center is located within the Department of Employment Services Business Resource Center and funded by the U.S. Department of Commerce. For additional information, contact the center at (202) 671-5152, or visit the Department of Employment Services web site at www.does.dc.gov.

Please refer to Section 6 on "Business Resources" for more information on each of these resources.

Initial Start-up Considerations

BUSINESS LOCATION

One of the first concerns when starting a business is deciding where to locate your business. Your business location can determine whether or how much you can take advantage of the government incentive programs (see Section 5 on “Financial Incentives”), how accessible you are to your target market, what type of occupancy permit you will need and more. You will be required to have a location and submit a Certificate of Occupancy or Home Occupation Permit when applying for your business license.

Site Considerations

When choosing a location for your business, there are a number of important factors to consider:

- Will the location be accessible to your potential clients? Is there parking nearby? Is there a significant amount of foot traffic passing by your business? Are you near a Metro station, bus stop or major intersection?
- Is the space zoned for your type of business (i.e., industrial, residential, commercial or mixed-use)? Will you have loading bays? Elevators?
- Is the price right? What other amenities are included? Will you have to build to suit or will the landlord outfit the space or provide funds for tenant improvements?
- Do you want to operate your business from home? If so, will the savings associated with running a home-based business allow you more money for your business? Will you be able to reach your clients and customers? Will you be able to run your type of business from home?

If you operate your business from a residential property, you will need to obtain a Home Occupation Permit. There are also restrictions on the number of employees you can have in a home-based business and how many deliveries or customers can come to your home each day. Home Occupation Permits are described in more detail in Section 2 of this guide, or you can obtain more information from the Department of Consumer and Regulatory Affairs web site at www.dcr.dc.gov.

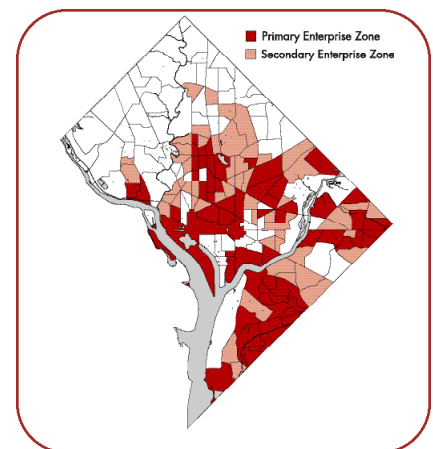
If you plan to operate your business in a commercially leased property, you may contact one of the following organizations to identify resources that best fit your needs.

section

1

Business
Location

Enterprise Zones



Online Resources

dcr.dc.gov

Assistance for Choosing a Location

Greater Washington Commercial Association of Realtors

The Greater Washington Commercial Association of Realtors (GWCAR) can provide you with a listing of real estate brokers in the region. (202) 887-6213 or www.gwcar.org

Washington, DC Marketing Center

The Washington, DC Marketing Center can provide you with broker contacts, information on vacancy rates, asking rents and available space in certain neighborhoods. (202) 638-7333 or www.dcmarketingcenter.com

DC Building Industry Association

The DC Building Industry Association (DCBIA) can refer you to their member brokers depending on your needs. (202) 966-8665 or www.dcbia.org

Community Development Corporations

Community Development Corporations (CDC) in the neighborhood of your choice can assist you with information on neighborhood properties. A list of CDCs is available at www.brc.dc.gov under “Community Development.”

HQ Global Workplaces

If you prefer an executive suite setting where you can share common areas such as reception, conference room, copying, etc, with other businesses, please contact HQ Global Workplaces at (202) 857-3280. HQ has five locations in the District of Columbia.

TIP

Visit the DC Economic Development Map at www.dcbiz.dc.gov to find out where the Enterprise Zones and Tech Zones are located in DC, so you may take advantage of the related financial incentives by locating your business in one of the zones.

Other Helpful Resources

For demographic information about the area around your business, you can contact the Washington, DC Marketing Center at (202) 638-7333 or online at www.dcmarketingcenter.com and/or the DC Office of Planning’s State Data Center at (202) 442-7603 or online at www.dclibrary.org/sdc.

Online Resources

gwcar.org

dcmarketingcenter.com

dcbia.org

dclibrary.org/sdc

brc.dc.gov

Business Registration and Licensing

AN OVERVIEW OF THE DISTRICT'S LICENSING PROCESS

The Department of Consumer and Regulatory Affairs (DCRA) issues business licenses and permits. This department also recognizes business ownership types. The Business License Center (located on the 1st floor of DCRA) is for obtaining business licenses and the Permit Center (on the 2nd floor) is for occupation and construction permits in the District of Columbia. Both centers provide technical assistance and the option to complete the process on-site. You may also visit the agency's interactive web site, www.dcrd.dc.gov, where you may download a variety of basic business license forms and find additional information.

Please visit DCRA's web site for Basic Business License at www.dcrd.dc.gov to determine if or what licenses are applicable to your business.

If filing as a corporation, partnership, non-profit corporation, or limited liability company, you must submit an application or articles for recognition as that business type. For more information on the business structures, see the chart on page 5. To obtain guidelines and instructions, go to the DCRA web site at www.dcrd.dc.gov and look under corporate registration.

The following steps apply to all business license applicants:

- ✓ Certificate of Occupancy (CRA-5)
- ✓ Federal Employer Identification Number (FEIN)
- ✓ DC Business Tax Identification Number
- ✓ Certificate of Registration
- ✓ Clean Hands Certificate
- ✓ Basic Business License
- ✓ Business Trade Name
- ✓ Other Licenses and Permits



section

2

Certificate of Occupancy

STEP-BY-STEP EXPLANATION OF THE LICENSING PROCESS

1. Certificate of Occupancy (CRA-5)

A Certificate of Occupancy or Home Occupation Permit is required to show that your business is operating in a building that meets correct building and zoning code requirements for its intended use.

You may not need one, however, if you are leasing space in a building that already holds a Certificate of Occupancy for your intended business use. For instance, a law firm can operate under the umbrella of an office building's Certificate of Occupancy as long as the firm operates in a manner that conforms with office use.

Certain businesses, mostly Basic Business License applicants, need to obtain a separate certificate if the property owner's Certificate of Occupancy does not cover their business. It's important, therefore, to ask the owner, property manager, or agent about the Certificate of Occupancy when entering into a lease agreement.

To file for a Certificate of Occupancy for your business, you must either have a commercially zoned business location or operate your business from your home. Applications are available from the Department of Consumer and Regulatory Affairs or online at dcra.dc.gov/services/permits/index.shtm. Once completed, you will need to submit the application in person to the Permit Service Center, 941 North Capitol Street, NE, Suite 2300, Washington, DC 20002, (202) 442-9475.

For Commercial Properties:

Most commercially zoned properties will already have a Certificate of Occupancy. You should be able to get a copy of the certificate from the building owner or management company. If there is no Certificate of Occupancy, you will need to apply for one.

For Home-Based Properties:

If you own your home, you will be able to authorize the use of your home for the business on the application form for the Home Occupation Permit (HOP). You may be eligible for the new Expedited Home Occupation Permit (E-HOP), which shortens the process. If you are renting or leasing your residence and want to use it as your business location, you will need to obtain the permission of your landlord to operate your business out of your home. You must include this authorization with the application for the Certificate of Occupancy.

Online Resources

dcra.dc.gov

2. Federal Employer Identification Number (FEIN), also known as Tax Identification Number (TIN)

An FEIN is a nine-digit number assigned by the IRS. The IRS uses the number to identify business taxpayers who are required to file various tax returns. FEINs are used by employers, sole proprietors, partnerships, corporations, non-profit organizations, trusts, estates of decedents, government agencies, certain individuals and other business entities.

Generally, you will need an FEIN if you answer “Yes” to any of the following questions:

- ☐ Do you have employees?
- ☐ Do you operate your business as a corporation LLC or a partnership?
- ☐ Do you file any of these tax returns: Employment, Excise, or Alcohol, Tobacco and Firearms?
- ☐ Do you withhold taxes on income, other than wages, paid to a non-resident alien?
- ☐ Do you have a Keogh plan?
- ☐ Are you involved with any of the following types of organizations:
 - ☐ Trusts (except certain grantor-owned revocable trusts)
 - ☐ IRAs
 - ☐ Exempt Organizations
 - ☐ Estates
 - ☐ Real Estate Mortgage Investment Conduits
 - ☐ Non-profit Organizations
 - ☐ Farmer's Cooperatives
 - ☐ Plan Administrators

For more specific information about whether or not you are required to obtain an FEIN, you should refer to IRS Publication 1635. You can obtain a copy of IRS Pub. 1635 online at www.irs.gov.

Federal Tax
ID Number

section

2

Online Resources

irs.gov

Online Resources

brc.dc.gov

irs.gov

cfo.dc.gov

**Business Tax
Registration**

The quickest and easiest way to apply for your FEIN is on the Internet at www.brc.dc.gov (select "Start a Business"). You may also fill out a copy of IRS Form SS-4 (Application for Federal Employer Identification Number) and apply by phone, fax or mail. This form is available at IRS and Social Security Administration offices, or you can request one by calling (800) 829-3676. You can also obtain a copy of IRS Form SS-4 online at www.irs.gov.

To apply by phone:

Call (866) 816-2065 and follow the prompts OR

Call (800) 829-3676 to request a Form SS-4

To apply by fax:

Complete IRS Form SS-4, and fax it to (631) 447-8960.

To apply by mail:

Complete the application and mail it to the service center for the District of Columbia:

IRS 1040

ATTN: FEIN Operations

Waverly Avenue

Holtsville, New York 11742

3. DC Business Tax Identification Number

The FR-500 is a DC Combined Business Tax Registration document. Once you complete and turn it in to the Office of Tax and Revenue, you will be provided with notice of business tax registration which will indicate your tax obligations and filing frequency. It will also be the basis for your unemployment tax registration with the Department of Employment Services. Tax forms can be accessed online at www.cfo.dc.gov. For more information call the Office of Tax and Revenue at (202) 727-4829.

If you are an employer with one or more employees performing services within the District of Columbia, you are liable for unemployment taxes under the District of Columbia Unemployment Compensation Act. This includes services performed on a part-time or temporary basis. Employers of household help are also liable if they pay at least \$500 in aggregate wages in any calendar quarter for such help. Persons considered household employees include chauffeurs, cooks, gardeners, nurses, maids and baby-sitters who are at least 18 years of age.

Employers with one or more employees performing services within the District of Columbia, as described in the preceding paragraph, must complete section VII of the Combined Registration Application (FR-500). If the form is completed online at the Office of Tax and Revenue's web site (www.otr.dc.gov), section VII will automatically be forwarded to the Department of Employment Services (DOES). You will be contacted by DOES if necessary and provided with a determination of tax liability. If FR-500 is not completed online, section VII should be submitted to DC Department of Employment Services, Office of Unemployment Compensation, Tax Division, 609 H Street, NE, Washington, DC 20002.

The withholding and submission of employer withholding tax is optional for household employees. If you chose to withhold, you should complete the Combined Registration Application (FR-500), as mentioned above. Part VI of the application should be filed with the DC Department of Employment Services (DOES).

4. Certificate of Registration

You will receive a Certificate of Registration from the Office of Tax and Revenue once you file your FR-500.

5. Clean Hands Certificate

The Clean Hands Certificate is an affidavit stating that you do not owe more than \$100 to the District Government. If you owe more than \$100 to the District Government, you will need to resolve the outstanding debt before you can proceed. A Clean Hands Certificate is required to be submitted with any application for a license or permit in the District of Columbia, including a Basic Business License. The form is included in the Basic Business License application packet. You can also obtain a copy from the Department of Consumer and Regulatory Affairs at www.dcra.dc.gov.

6. Basic Business License

Starting from July 2003, the District has removed the District licensing requirements with the Department of Consumer and Regulator Affairs for all businesses that do not require special inspections, investigations or approvals. You can find out about license requirements by visiting the District's Basic Business License web site at www.dcra.dc.gov.

Certificate of
Registration

Clean Hands
Certificate

Basic Business
License

Online Resources

otr.dc.gov

dcra.dc.gov

The Basic Business License (BBL) is for businesses that, prior to implementation of legislation creating the program, already needed a license. Generally, these types of businesses require background investigations, inspection and certification of the proposed business locations; background history of the organization and/or members of the organization and/or evidence that certain requirements such as financial stability, bonding, and insurance are met.

The Department of Consumer and Regulatory Affairs (DCRA) administers nine (9) sub-categories of licenses, referred to as endorsement categories. More information on these categories is available online at dcra.dc.gov. The categories are:

- ✓ Entertainment Services
- ✓ Environmental Materials
- ✓ Public Health: Food Establishment Retail
- ✓ Inspected Sales and Services
- ✓ Housing (Transient)
- ✓ Housing (Residential)
- ✓ Motor Vehicle Sales, Service, and Repair
- ✓ Alcoholic Beverages
- ✓ Public Health: Public Accommodations

Non-profit and religious organizations

Non-profit Organizations

- ✓ Non-profits need to obtain a BBL if they plan to engage in charitable solicitation activities (i.e. grants, fundraising, donations, etc.)
- ✓ If you solicit funds for charitable purposes, you need to obtain a Charitable Solicitation registration UNLESS you are a church or religious organizations with tax exempt status under IRS Section 501.
- ✓ If you are not engaged in other business activity that requires licenses.

Religious Organizations

Religious organizations and churches that engage in charitable solicitations, including for educational purposes, are exempt if you:

- ✓ have tax exempt status under IRS Section 501
- ✓ you are not engaged in other business activity that requires a license

If your business does not fall under the Basic Business License endorsement categories you may contact the BBL hotline at (202) 442-4311 or by email at bbl.infocenter@dc.gov.

Online Resources

dcra.dc.gov

7. Trade Name Registration

The District of Columbia enacted legislation establishing a registration program for trade names. This new law benefits the business community in several ways by:

- ✓ Allowing businesses to use fictitious names (created words and names) in conducting business, including transacting business with vendors and financial institutions;
- ✓ Providing an official record of all owners associated to a fictitious name;
- ✓ Allowing businesses with fictitious names to undertake legal action under that name.

You can easily register your trade name online at www.dkra.dc.gov as an individual or organization. The anticipated launch date for the new trade name online registration starts in June 2004. You may opt to obtain trade name at any step in the process.

8. Other Licenses and Permits

Building Permits

You are required by law to obtain a permit for construction in the District of Columbia if you are going to be constructing or altering your building, home or leased premises. You may apply for permits in the Permit Service Center of the Department of Consumer and Regulatory Affairs. Please note that there are other agencies, i.e., Department of Housing, that have their own respective permitting processes. If you need further assistance, or have multiple permits, contact the Development Ambassador Program in the Department of Consumer and Regulatory Affairs at (202) 442-4400.

You need a permit for:

- ✓ New construction and foundations
- ✓ Additions, alterations, or repair of existing buildings
- ✓ Razes (demolition)
- ✓ Erection of a sign and awning
- ✓ Layout of interior space for tenants in new or existing commercial buildings

Business Trade
Name Registration

section

2

Other Licenses
& Permits

Online Resources

dcra.dc.gov

Public Space Permits

A Public Space Permit is required to use or install structures on public space, which is the area between the building or property line and the curb (restaurants with outdoor seating on the sidewalk will need to apply for the Sidewalk Café Permit). You are required to complete an application for Public Space Permits in order to:

- ✓ Construct sidewalks, alleys, flag poles, fountains, planter boxes, retaining walls, fences, and any other improvements in public spaces
- ✓ Excavate in public space to construct foundations
- ✓ Occupy public space temporarily for construction equipment

Water or Sewer Excavation Permits

You must complete an application for Water or Sewer Permits in order to:

- ✓ Install water or sewer pipes
- ✓ Make connections to existing water and sewer mains in the street
- ✓ Excavate for water meters and meter vaults in public space

Supplemental Systems Installation Permits

Licensed contractors are required to complete an application for Supplemental Systems Permits in order to install:

- ✓ Air conditioning and refrigeration
- ✓ Plumbing fixtures
- ✓ Electrical fixtures

Plats of Survey

Plats of survey, showing the location of all property lines, are required as the basis for all site plans. A set of two plats can be obtained in the DC Surveyor's Office, 941 North Capitol Street, NE, Room 2700. Normally, a plat can be obtained the same day, if it is ordered before noon. You are encouraged, however, to place your order a minimum of two to three days in advance. Plats are required for the following types of work:

- ✓ New buildings, additions
- ✓ Retaining walls, fences
- ✓ Sheds, garages
- ✓ Awnings

Site plans are required for:

- ✓ New buildings, additions, interior and exterior alterations
- ✓ Retaining walls, sheds, garages
- ✓ Excavation for foundations

Floor plans, elevations, cross-sections, and detailed drawings are required in various combinations for all proposed construction, except for razes. Permits for simple projects can be issued over the counter in half an hour, while more complex projects may require from seven to 30 days for reviews to be complete.

Alcoholic Beverage Control Licensing

The Alcoholic Beverage Regulation Administration (ABRA) issues licenses to qualified applicants to serve or sell alcoholic beverages, monitors compliance with the law and regulations and takes appropriate enforcement action when a business violates DC alcoholic beverage law. ABRA implements new laws regulating the manufacturing, distribution and sale of alcoholic beverages in the District.

ABRA operates under the authority of the Alcoholic Beverage Control (ABC) Board that sets parameters for the agency. ABRA is an independent DC government agency. There are several classes of ABC licenses. You can obtain copies of ABC license applications and information about the ABC licensing process at their web site www.abra.dc.gov or call them for more information at (202) 442-4423.

Requirements for licensure vary greatly according to the type of establishment planned. We recommend that you consult with an ABRA representative to first determine the type of license application needed, as determined by the activities of the establishment. Additionally, we recommend that you discuss your proposed location with an ABRA representative to ensure that a license for your location is not prohibited by an existing ABC license moratorium. Once your license is approved, your establishment and/or location are considered Board approved.

Applicants may select from the following license categories:

- ✓ Manufacturer (A) or (B)
- ✓ Wholesaler (A) or (B)
- ✓ Retailer (A) (B) (C) or (D)

The retailer (C) and (D) categories are broken down into classes by type of establishment:

- R** Restaurant – 45% of gross sales are from the sale of food.
- T** Tavern – A Board-approved place where food and alcoholic beverages are served, but does not offer dancing.
- N** Nightclub – A Board-approved place where food and alcoholic beverages are served that permits dancing.
- H** Hotel – A Board-approved place offering food, alcoholic beverages and sleeping accommodations.
- X** A club, multipurpose facility such as a theater or the Washington Convention Center, passenger-carrying vessel serving food or a club car or dining car on a train.

To file for an ABC License:

- ✓ Call ABRA at (202) 442-4423 to schedule an appointment to submit the application;
- ✓ File for a DC business tax number at the Tax Registration Counter in the One Stop Business Center of the Office of Tax and Revenue;
- ✓ Submit required application(s);
- ✓ Await a 60-day placard period.

Additionally, the Board is authorized to conduct a background investigation including a criminal history record check on the applicant.

FACTORS OF CONSIDERATION

Your Financial Needs

In order to determine how much business financing you will need and what is available to you, you will need to assess your current resources, complete your financials, and obtain a credit report.

Your Current Resources

Depending on your start-up and growth strategies, it is advisable that you consider exhausting your current resources before turning to outside financing. These resources include savings, credit cards, loans from family members and friends, etc.

Your Financials (Your Business Plan)

This is a good time to revisit the financial section of your business plan, which is a critical component of attracting investors and secure funding. You may use the online financial tools provided by the District Government's Business Resource Center at www.brc.dc.gov to help demonstrate your clear understanding of your financial position and your related goals.

Your Credit Report

Regardless of whether you are going to rely on your current resources or obtain commercial financing, you will need to obtain a copy of your credit report to ensure accuracy and show potential investors that you are serious about paying back their investments. You may contact one of the following for a credit report or you may obtain reports online:

Equifax	1-800-685-1111	www.equifax.com
Experian	1-888-397-3742	www.experian.com
Trans Union	1-800-888-4213	www.transunion.com

Section 3

Business
Financing

Business
Loans

Small Business
Lenders

section

3

Online Resources

equifax.com

experian.com

transunion.com

Business Loans

Factors of the Loan Process

Capital – How much of your own funds are invested in this business

Capacity – Your ability to repay the loan (this is where your credit report will be crucial)

Collateral – Assets, such as real estate, equipment or inventory that can be liquidated to repay the loan if you default

Conditions – How you plan to use the loan

THE LOAN PROCESS

There are many ways to finance your business. You can obtain a traditional loan from a bank, get a loan guarantee from the U.S. Small Business Administration (SBA) or obtain funds from an angel investor, venture capital firm or small business investment company. Visit the SBA's web site at www.sba.gov/dc for more information. The DC Department of Banking and Financial Institutions (DBFI) promotes the availability of capital for small businesses. Their contact information is (202) 727-1563 or www.dbfi.dc.gov. DBFI also has bank profiles online.

Types of Loans

Short-Term Loans

Short-term loans must be repaid within a year, and are typically used to finance such things as seasonal build-up of inventory or accounts receivable.

Line of Credit: A line of credit is a specific amount of money that has been approved and set aside by the bank for you to draw upon as needed. Interest is charged only on the amount of the line that you use. However, banks may charge a commitment fee of 0.5% – 1% of the total line for reserving these funds.

Time Loan: There are no installment payments with time loan. Instead, the entire amount of the loan, plus interest, is paid back at one time. This type of loan is often used to finance a temporary increase in inventory.

Long-Term Loans

With terms of one year and longer, these loans are typically used to finance permanent assets like your core level of inventory, accounts receivable, the expansion of a business, machinery and equipment or construction of a new building.

Term Loan: These loans are usually repaid within five years in equal installments of principal, plus interest on the outstanding amount of the loan. As the outstanding principal is reduced, the amount of your total installment payments will go down over the life of the loan.

Revolving Line of Credit: A revolving line of credit differs from other lines of credit because it does not require an annual payoff. Reviewed and renewed by the bank on a yearly basis, revolving lines are similar to credit

Online Resources

sba.gov/dc

dbfi.dc.gov



cards with pre-set spending limits. The amount of available funds drops by the amount of money you withdraw and increases as you repay the funds in monthly installments of interest plus principal.

Accounts Receivable: An accounts receivable loan is based on the payment history of your customers. Banks will either write separate loans, or set aside funds for your use, in an amount usually between 65% and 80% of all accounts receivable invoices that are less than 60 days old. This money is drawn as needed and paid as your customers pay you. Interest is charged only on the outstanding portion of the loan.

Commercial and Industrial Mortgages: These are typically used to finance the purchase of real property or a major expansion of the business. Depending on the property you would like to buy or build, most banks will finance up to 75% of its appraised value or construction cost in the form of a mortgage. However, commercial loans are generally offered for ten years or less. You may be able to reduce these monthly installment payments by basing them on an amortization period, which is longer than the life of the loan. With this loan structure, when the loan is due, you pay off the outstanding principal and interest with a lump sum “balloon payment.”

Personal Loans: Owners of a start-up or new business can take out long-term personal loans from a bank. Because there is no existing track record to evaluate, a banker can instead base the loan on your personal assets and borrowing record.

Micro-loans

Micro-loans (from \$500 to \$35,000) are also a good source of financing for smaller amounts. They are usually offered by non-traditional lenders with less stringent financial guidelines than banks. They can be used for working capital, machinery, inventory and leasehold improvements.



Choosing the Right Loan

While there are only two types of loans, short-term and long-term, there are dozens of loan combinations. By understanding the different types of loans on the market, and what each is designed to do, you can select the one best suited for your specific credit needs and circumstances.

Make sure that you feel comfortable with your banker, the bank loan terms, your interest rates, and your ability to repay any loans before you commit yourself. Do your research, as it is often advisable to compare loan packages from more than one lender before making a decision.

The SBA offers a wealth of information to businesses, including financing options. For more information, visit www.sba.gov/dc.

If you have difficulty obtaining a loan, or your bank advises you to do so, you may want to secure a loan guarantee from the SBA. Though the SBA does not loan directly to small businesses, it does operate a number of programs that can give your prospective lender additional security when financing your business.

Types of Loan Guarantees

504 Loan Program

The 504 Loan Program provides long-term, fixed-rate, subordinate mortgage financing for the acquisition and/or renovation of capital assets (includes land, buildings, and equipment). It is characterized by lower down payments, fixed interest rates, long-term repayment terms, and below market rates. It can be used for all project costs and nearly all for-profit small businesses will be eligible. Below are the two Washington, DC area 504 lenders:

Virginia Asset Financing Corporation
Mid-Atlantic Finance Company

(703) 352-0504
(800) 730-0017

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Online Resources

sba.gov/dc



7(a) Program

The 7(a) program is the SBA's primary loan program. To qualify for the guaranty, a small business must meet the 7(a) criteria, and the lender must certify that it could not provide funding without the guaranty. The SBA can then guarantee up to 85% on loans of up to \$150,000 and 75% on loans in excess of \$150,000. The maximum is usually \$1 million. It can be used to expand or renovate facilities, for working capital, or to purchase equipment.

CommunityExpress Loan Program

The CommunityExpress Pilot Loan Program is a unique SBA loan program designed to provide streamlined business financing and management and technical assistance to targeted small business. It's a joint initiative between the U.S. Small Business Administration and the National Community Reinvestment Coalition (NCRC). The CommunityExpress program is targeted primarily to New Markets small businesses. These are businesses owned by minorities, women and veterans who are underrepresented in the population of business owners compared to their representation in the overall population.

The program is offered through hundreds of selected SBA lenders located throughout the nation. Under CommunityExpress, approved lenders are allowed to use streamlined and expedited loan review and approval procedures to process SBA guaranteed loans. These lenders may use their own loan analysis, loan procedures and loan documentation to process SBA loans up to \$250,000.



Small Business Lenders

SMALL BUSINESS LENDERS

When choosing a lender, it is important that you feel comfortable with both the loan officer and the bank itself. Many banks specialize in particular types of business financing. Others have restrictions on the types of business that they will loan to. Don't be afraid to ask questions or shop your loan application to different banks at the same time. For a list of federally insured financial institutions in DC, please visit www.dbfi.dc.gov and click on "Banks Located in DC."

section

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Online Resources

dbfi.dc.gov

Adams National Bank	www.adamsbank.com	(202) 772-3600
M & T Bank	www.mandtbank.com	(800) 724-2440
Amalgamated Bank of New York	www.amalgamatedbank.com	(202) 293-9800
Bank of America	www.bankofamerica.com	(800) 432-1000
BB&T	www.bbandt.com	(202) 835-9200
Chevy Chase Bank	www.chevyCHASEbank.com	(301) 986-7560
Citibank, F.S.B.	www.citibank.com	(800) 926-1067
City First Bank of DC	www.citifirstbank.com	(202) 332-5002
EagleBank	www.eaglebankmd.com	(301) 986-1800
First Liberty National	www.firstlibertynational.com	(202) 331-7031
Wachovia Bank	www.wachoviabank.com	(800) 566-3862
Greater Atlantic Bank	www.gab.com	(202) 296-5588
Independence Federal Savings Bank	www.ifsfb.com	(202) 628-5500
Industrial Bank of Washington	www.industrial-bank.com	(202) 722-2000
National Capital Bank of Washington	www.nationalcapital.com	(202) 546-8000
OBA Bank	www.obafederal.com	(202) 628-7300
Presidential Savings Bank	www.presidential.com	(301) 652-0700
Riggs Bank	www.riggsbank.com	(301) 887-6000
Southern Financial Bank	www.southernfinancialbank.com	(202) 333-6163
SunTrust Bank	www.suntrust.com	(800) 786-8788
United Bank	www.unitedbank-va.com	(202) 463-1500

Note: Each bank branch has a different telephone number. Please refer to the bank's web site to find branch locations and telephone numbers.

OTHER SOURCES OF FUNDING

Other financing options include venture capital firms, angel investors and small business investment companies.

Venture Capital

Venture Capital firms (VCs) generally require some management control (in addition to repayment) in exchange for their financial investment. An advantage to that is that they may also bring expertise and experience that your business does not currently have.

To obtain a listing of area VCs, you may visit the web site of the Mid-Atlantic Venture Association (MAVA) at www.mava.org and choose “member profiles,” which allows you to search for venture companies that fit your criteria of industries and/or locations. MAVA can also be reached at (410) 560-5855.

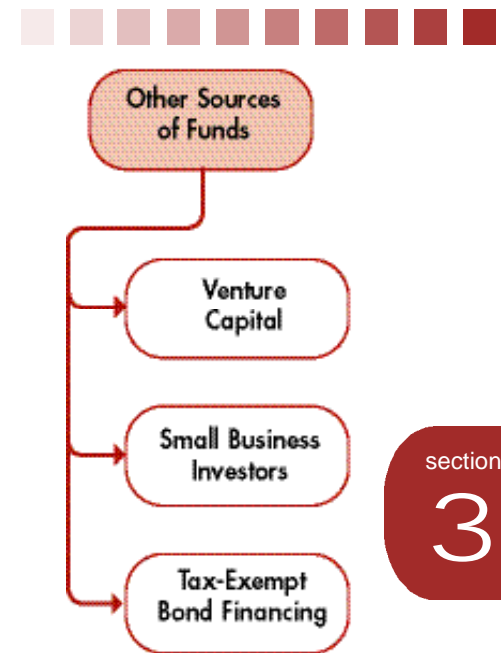
Small Business Investment Companies (SBICs)

SBICs are licensed and regulated by the SBA and are investment firms that make capital available to small businesses through investments or loans. They also provide management assistance and expect a share of the profits from your business. Below are two of the area SBICs:

Broadcast Capital, Inc. (202) 496-9250
Capitol Health Partners LP (202) 342-6300

Tax-Exempt Bond

Revenue Bond financing is an attractive source of funding for businesses and non-profit organizations that locate or operate within the federally designated Enterprise Zones. A qualified private business can borrow up to \$15 million of tax-exempt bonds to invest in buildings, equipment, and furnishings used for the qualified business. Besides being tax-exempt, the bond financing is usually at least two percentage points below market interest rates. A non-profit organization is not bound by its location as long as it is within the District of Columbia and may borrow as much as it needs. Please see section 5 on Financial Incentives for eligibility requirements.



Online Resources

mava.org

sba.gov/advo

Section 4

Business
Taxes

Business Tax
Requirements

Employer Tax
Requirements

section

4

OVERVIEW OF BUSINESS TAXES IN DC

In understanding DC's business taxes, it is important to bear in mind that there are a variety of tax abatement programs for District businesses (see Section 5 on "Financial Incentives"). There are two different classes of business taxes in the District: general business taxes and employer taxes.

BUSINESS TAX REQUIREMENTS

There are six major types of business tax in the District. They are:

Corporate Franchise Tax

If you engage in or carry on a trade or business in the District and/or receive income from sources within the District, you are required to file Form D-20, Corporate Franchise Tax. You must file the form by the 15th day of the third month following the close of the corporation's taxable year. If the amount of tax owed is less than \$100, the minimum payment of \$100 is required.

Unincorporated Business Franchise Tax

You will need to file Form D-30, the Unincorporated Business Franchise Tax, if your business is unincorporated (sole proprietorship, partnership, joint venture, etc.), engaging in or carrying on any trade or business in the District of Columbia, deriving rental income and/or receiving other income from sources within the District, whose gross receipts exceed \$12,000 a year.

EXCEPTION

If 80% of your business income is from performing a personal service and capital is not a material income-producing factor, you do not have to file D-30. Your income should instead be reported on your individual income tax return.

Sales Tax and Use Tax

If you engage in business activities in the District of Columbia, you must collect sales tax from the purchaser on sale of tangible personal property delivered to a customer in DC; certain foods and drinks sold at retail; certain services, rental and leasing of tangible personal property; rental of rooms to transients; admissions to certain public events that take place in DC and the service of parking, storing, or keeping motor vehicles trailers in DC. In addition, you must file a Sales and Use Tax Return (Form FR-800M) monthly by the 20th day of the month following the reporting period, unless otherwise notified by the Office of Tax and Revenue.

The Use Tax is imposed at the same rate as the Sales Tax on the purchase or rental of tangible personal property for the purpose of use, storage or consumption in the District from a business outside of the District that does not pay any District or state sales tax.

Personal Property Tax

You are required to file Form FP-31 and pay the personal property tax on or before July 31st of each year if your business owns or holds in trust any tangible personal property tax (i.e. furniture, computer, fixtures, books, etc.). located in or having a taxable situs (meaning area, jurisdiction or location) in the District and which is used or is available for use in a trade, business or office held for business purposes, including property kept in storage or held for rent or which is leased to third parties, including governmental agencies, under a “lease-purchase agreement.” The Form FP-31 must be filed and the tax paid on or before July 31st of each year based upon the remaining cost (current value) of all tangible personal property owned as of July 1st. The statute allows filers to exclude \$50,000 of personal property value.

Gross Receipts Tax

If your business falls under one of the following categories, you are subject to the gross receipts tax. They are:

- ✓ Utilities and telecommunications companies providing long distance service, cable television, satellite relay or distribution of video or radio transmission to subscribers and paying customers;
- ✓ Heating oil delivery companies;
- ✓ Commercial mobile service providers, and non-public utility sellers of natural or artificial gas.

As there are many types of utilities tax with a variety of forms, questions about this tax should be referred to the Office of Tax and Revenue at (202) 727-4TAX (4829) in the Office of the Chief Financial Officer (www.cfo.dc.gov).

Online Resources

cfo.dc.gov

Employer Tax Requirements

EMPLOYER TAX REQUIREMENTS

If you are an employer in the District of Columbia with either full-time or part-time employees, you are required to register for unemployment taxes. Each employer that is determined liable for taxes is assigned an account number. This number identifies the employer's individual account, which is a record of taxes paid by the employer and charges made against the employer by former employees.

All liable employers must file quarterly tax and wage reports with the Department of Employment Services (DOES) on or before the last day of April, July, October, and January of each year. Reporting forms imprinted with your information will be mailed to you about five (5) weeks before each due date. Employers who employ only household employees may elect to file tax and wage reports annually rather than quarterly.

The amount of tax due is based on a specified tax rate of taxable wages for the quarter. As the employer you are solely responsible for the taxes and no part of the tax should be deducted from the employee's wages. Taxes are based on gross wages before any amount is withheld for any purpose. Gross wages include salaries, commissions, bonuses and the cash value of any remuneration payable to the employee in a medium other than cash (i.e., lodging, meals, etc.) A newly liable employer pays taxes at the rate of 2.7% for calendar year 2004, or the average rate of the preceding year, whichever is higher. Non-profit organizations covered under the UC (Unemployment Compensation) Law may elect to reimburse DOES for benefits paid to their former employees, rather than paying quarterly contributions at a predetermined rate.

For more information on the District's compensation law pertaining to taxes, contact the Office of Unemployment Compensation Tax Division at (202) 698-7550.

Employer Withholding Forms

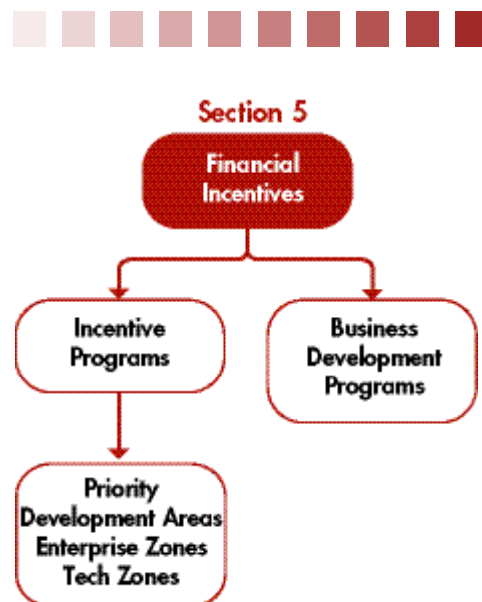
Withholding

In all instances, employers with businesses located in DC are required to deduct and withhold District income tax from employees' wages and pay to the District the exact amount of withholding as shown by the withholding tables.

OVERVIEW OF FINANCIAL INCENTIVES

One of the great advantages of operating your business in the nation's capital is that you can take advantage of the variety of programs designed to provide tax and other financial benefits to businesses through federal and District incentives.

This section gives you an easy reference to some of the most common incentives for small businesses. For a complete guide to incentives for DC businesses, please contact the Office of the Deputy Mayor for Planning and Economic Development at (202) 727-6365 or www.dcbiz.dc.gov for their publication "Economic Development Incentives in Our Nation's Capital." To learn about laws and regulations pertaining to each program and the exact impact of these incentives on your business, you should consult a tax advisor or refer to U.S. IRS publications located at www.irs.gov.



SUMMARY OF FINANCIAL INCENTIVE PROGRAMS*

Incentive Type	Description	Eligibility	Agency /Contact
Enterprise Zone (EZ) Incentives (full explanation on next page)	<ul style="list-style-type: none"> • Annual federal employment tax credit of up to \$3,000 for each DC resident employee • Exemption from federal capital gains tax • Increased federal expensing allowance • Access to tax-exempt financing 	<ul style="list-style-type: none"> • Operates in one of the federally designated EZ • 50% of business income earned within EZ • Substantial portion of business property, services and workers within EZ 	Office of Revenue Bond and Enterprise Zone Program (202) 727-6365 www.dcbiz.dc.gov
Work Opportunity Tax Credit	<ul style="list-style-type: none"> • Annual tax credit of up to \$2,400 per new hire • Qualified wages are capped at \$6,000 per year • Summer Youth employees wages are capped at \$3,000 per year 	Employee must meet ONE of following criteria: <ul style="list-style-type: none"> • Member of family receiving federal assistance (AFDC) • Veteran on food stamp • Low-income ex-felon • Youth age 18-25 living in Enterprise Zone • Youth age 18-25 from family on food stamps 	DC Department of Employment Services (202) 698-6002 www.doers.dc.gov
Welfare-to-Work Credit	<ul style="list-style-type: none"> • Company spends no more than \$100/month 	Employee must meet ALL of following criteria: <ul style="list-style-type: none"> • Long-term welfare recipient • Began work after July 1, 1999 • Employed at least 400 hours or 180 days 	DC Department of Employment Services (202) 698-6002 www.doers.dc.gov
New Economy Transformation Act of 2000 (NET 2000)	<p>Financial Incentives</p> <ul style="list-style-type: none"> • Franchise Tax exemption or reduction for 5 years • Sales & Use Tax Exemption • Real Property Tax Abatement • Personal Property Tax Abatement <p>Workforce Development Credits:</p> <ul style="list-style-type: none"> • Wage Tax Credit • Employment Training Credits • Relocation Expense 	Must be certified as Qualified High Technology Company (QHTC), meeting following criteria: <ul style="list-style-type: none"> • Individual or for-profit with 2 or more employees • Maintain an office, headquarters or base of operations in DC • Derives 51% or more of gross revenues from a high tech business as defined in the law 	To determine eligibility: Office of Tax & Revenue's Office of the General Counsel (202) 442-6500 www.cfo.dc.gov/etc For forms: Office of Tax & Revenue's Tax Forms Office (202) 442-6546 www.cfo.dc.gov/etc

*For federal tax incentives, you may claim most of the tax benefits by filing the appropriate form with your annual federal tax return.

*For a complete listing of all financial incentives, please refer to the District Government's publication, "Economic Development in Our Nation's Capital."

FINANCIAL INCENTIVE PROGRAMS

The District of Columbia Enterprise Zone Program

As of January 1, 2004, the District's Enterprise Zone Program had expired. Renewal of the District's Enterprise Zone is currently pending legislation in Congress. To check on the status of this legislation, you should contact the District's Office of Revenue Bond and Enterprise Zone Program in the Office of the Deputy Mayor for Planning and Economic Development at (202) 727-6365 or on the web at www.dcbiz.dc.gov.

DC's Enterprise Zone

The District of Columbia "Enterprise Zone" (EZ) was established in 1997 by the Federal Government to stimulate economic growth and job development in the nation's capital. Businesses who qualify for the EZ incentives are entitled to more than \$1.2 billion of federal tax credits, deductions, exemptions and exclusions. The District's two-tiered Enterprise Zone covers approximately half of the District's developable land, consisting of DC census tracts with 10% or higher poverty rates, which are eligible for all the EZ incentives. An additional 57 census tracts with poverty rates between 10 and 20% comprise the second tier of the EZ and are eligible for the federal capital gains tax exemption and personal property tax exemption.

Between January 1, 1998 and December 31, 2003 (extended from December 2002), businesses that operate within the EZ are eligible for EZ incentives.

Eligibility for EZ Incentives

To determine if your business is located within an Enterprise Zone, visit the web site of the Office of the Deputy Mayor for Planning and Economic Development at www.dcbiz.dc.gov and click on "DC Economic Development Map." You may also visit the Department of Housing and Urban Development's Address Locator web site at www.hud.esri.com/locate-services/ezec/welcome.htm. If you have questions about a specific address, please contact the DC Revenue Bond-Enterprise Zone Program Office at (202) 727-6365.

Incentive
Programs

section

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Online Resources

dcbiz.dc.gov

hud.esri.com

To be a qualified Enterprise Zone business, your business will need to meet the following criteria:

- ✓ Is a corporation, non-profit, partnership, LLC or individual
- ✓ Your business' only trade or business is the active conduct of a "qualified business" (as outlined in IRS Publication 954)
- ✓ At least 50% of your business income is from the active conduct of a trade or business within the EZ
- ✓ A substantial portion of the tangible property and non-tangible property is used in the active conduct of a qualified business
- ✓ A substantial portion of the services performed for the business by its employees is performed in the EZ

Incentives Available to EZ Business

A Qualified Enterprise Zone Business (QEZB) may take advantage of the following incentives.

Tax-exempt Bond Financing

The DC Revenue Bond program provides below market interest rate loans to qualified private businesses that are located in the EZ, as well as non-profit and manufacturing organizations citywide. Each QEZB is eligible for up to \$15 million of tax-exempt "EZ bonds" (no limit for non-profit organizations) to finance depreciable tangible property, including buildings, equipment, and furnishings used in the business. "Tax-exempt" bond financing means that the holder of the debt does not have to pay federal income tax on the interest earned from the investment, thereby lending money at lower rates than typical "taxable" securities. You can issue bonds to assist in financing a broad variety of capital projects and eligible EZ bond projects including:

- ✓ Construction and renovation of a building
- ✓ Equipment acquisition
- ✓ Land and building acquisition
- ✓ Tenant improvements

Financial Incentives for Doing Business in DC

Program funds are generated through the issuance and sale of tax-exempt and taxable municipal revenue bonds, notes, or other obligations. Proceeds from the sale of these securities are loaned to borrowers and may be used to finance, refinance and reimburse costs of acquiring, constructing, restoring, rehabilitating, expanding, improving, equipping and furnishing real property and related and subordinate facilities. Because of related costs, revenue bond financing may not be cost effective for businesses seeking less than \$2 million in financing.

NOTE

All 501(c)(3) organizations are eligible for the tax-exempt revenue bonds regardless of their location in the District. In addition, there is no limit to the amount of bonds that can be issued on behalf of non-profit borrowers.

Federal Capital Gains Tax Exemption

If your business derives at least 80% (a requirement for this provision only) of its total gross income from business conducted within the EZ, then you are eligible for exclusion of federal capital gains taxes on the sale of stock, partnership interests, or property. The investment must be held for a minimum of five years, and must have been acquired for cash between December 31, 1997 and December 31, 2003.

EXAMPLE

In June 1998, Capital City Investment Club paid \$20,000 in cash for stock in JD Flowers, Inc., a garden and florist shop located in the DC Enterprise Zone at Alabama Avenue and Stanton Road, SE. The funds were used by the company to acquire, equip and furnish the vacant building and a rear lot next door which more than doubled the size of JD's operations. In September 2003, CCIC sold its JD stock for \$28,000, which was distributed among its original four members. Because CCIC paid cash for the stock of an enterprise zone business and did not withdraw that investment for five years, the \$2,000 earnings distributed to each member is not subject to federal capital gains taxation.

section

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DC Employment Tax Credits

Each QEZB may claim a tax credit of up to \$3,000 for each DC resident employee at the EZ facility. Businesses may claim the lesser of \$3,000 or 20% of the first \$15,000 in qualified wages for each qualified employee during each of the five tax years ending December 31, 2003. The tax credit is applicable to both existing and new employees, as well as full-time and part-time employees.

Increased Expensing Allowance

QEZB may claim an additional \$20,000 expensing allowance if business equipment and depreciable property was purchased.

TIP

If you did not take advantage of the EZ incentives for previous tax years, you may contact the Internal Revenue Service and ask for an amendment to the previous year's tax filing.

Welfare-to-Work Credits and Work Opportunity Credits

You may also claim up to \$8,500 in Welfare-to-Work tax credits over two years for each employee who was previously a “long-term family assistance recipient.” A separate \$2,400 Work Opportunity tax credit is available for qualified employees, including the youths living within the Enterprise Zones and recipients of supplemental social security benefits in the first year of employment. These are nation-wide tax credits and generally have no employee residency requirements.

New E-conomy Transformation Act (NET 2000)

The District offers one of the most attractive incentive packages for high-tech businesses in the country. The New E-conomy Transformation Act of 2000 (NET 2000), effective January 1, 2001, provides certain credits, exemptions and other benefits for a Qualified High Technology Company (QHTC). A QHTC can leverage the NET 2000 Act to develop their workforce, secure affordable facilities for their business and benefit from reduced real estate, personal property, sales and income taxes.

Financial Incentives for Doing Business in DC

Claiming NET 2000 Benefits

To qualify as a QHTC, a business will need to attach the following forms to any tax return claiming the benefits of NET 2000. You may obtain these forms online at www.dcbiz.dc.gov or www.cfo.dc.gov, or you may contact the District's Office of Tax and Revenue, Tax Form Center at (202) 442-6546.

Required Forms for NET 2000 Application

Form #	Title
Publication 399	Qualified High Technology Companies — description of and forms for claiming tax benefits
QHTC-CERT 2001	Certification for Qualified High Technology Company Form
D-20CR	Business Tax Credits Form (file with form D-20)
D-30CR	Business Tax Credits Return Form (file with form FP-332)
FP-332	Claim for Refund of Retraining Costs Form
FP-331/337	Claim for Refund of Sales & Use Tax, Exempt Purchase Certificate Forms

Online Resources

dcbiz.dc.gov

cfo.dc.gov

High Technology Development Zones

The District of Columbia's High Technology Development Zones are designated high priority areas of the District. To determine whether a business is located in a high technology zone, you may go to www.dcbiz.dc.gov, click on the map logo and then click "Tech Zones," or call the Office of Tax and Revenue's Office of the General Counsel at (202) 442-6500.

It is worth noting that DC's high-tech zones include all of DC's Enterprise Zones (EZ). So if your business is in an EZ, you are also in a high-tech zone and can qualify for both the federal and local business incentives.

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NET 2000 Financial Incentives

QHTC can expect a significant tax break with the following tax abatements.

Franchise Tax Reduction or Exemption

- ✓ Zero franchise tax on unincorporated technology business
- ✓ Five-year elimination of franchise tax on incorporated technology companies located within the High Technology Development Zones
- ✓ Reduced franchise tax of 6% for incorporated tech companies located outside of the tech zones but within the District of Columbia

Real Property Tax Abatement

- ✓ A five-year abatement of increases in property tax rates attributable to renovations to accommodate technology companies and for certain newly constructed buildings.

Personal Property Tax Abatement

- ✓ A 10-year exemption of personal property taxes on certain purchases made after December 31, 2000.
- ✓ An allowance of up to \$40,000 in personal property expense deductions.

Sales and Use Tax Exemption

- ✓ Elimination of DC sales tax on certain sales to eligible companies.
- ✓ Sales by eligible companies of certain intangible property or services are not taxable.

Capital Gains Tax Exemption

- ✓ An exemption from District taxation of certain capital gains from the sale, exchange or rollover of stock, partnership interests and other assets of qualified high tech companies held for a minimum of five years.

Workforce Development Credits

NET 2000 provides credits to the franchise tax for wages paid and certain expenditures made on behalf of employees:

Relocation Expense Reimbursement

For companies that move at least two full-time jobs to DC.

- ✓ A credit of \$5,000 per employee for reimbursement of employee moving expenses capped at \$250,000 per company per year.



Financial Incentives for Doing Business in DC

- ✓ A credit of \$7,500 per employee for reimbursement of employee moving expense and payments for the employee's lease or purchase of a primary residence if the employee relocates to DC from outside DC, capped at \$1,000,000 per company per year.

Wage Credit

You may claim credit of 10% of wages paid for the first 24 months of employment, up to \$5,000 per employee per year.

Training and Wage Credits

For employees that are recipients of Temporary Aid For Needy Families (TANF) or ex-offenders; also applies to employees for which the company may claim the Welfare-to-Work Tax Credit or the Work Opportunity Tax Credit (see explanations for those in "Federal Tax Incentives").

- ✓ A credit for each employee of up to \$20,000 for costs of approved training during the first 18 months of employment.
- ✓ A credit of 50% of wages paid for the first 24 months of employment, up to \$15,000 per employee per year.

TIP

You may use the online Tax Calculator at www.dcbiz.dc.gov to estimate your tax savings and read a hypothetical case study to understand how the new incentives might benefit your business.

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NET 2000 Contact

If you have questions about the NET 2000 Act, please contact the Office of Tax and Revenue's Office of the General Counsel at (202) 442-6500, the Office of the Deputy Mayor for Planning and Economic Development at (202) 727-6365, or refer to DC Law 13-256 and related regulations to determine eligibility.

SUMMARY OF BUSINESS DEVELOPMENT PROGRAMS

Program	Description	Eligibility	Agency/Contact
HUB Zone Program for Federal Contracting	<ul style="list-style-type: none"> • Preference in bidding for Federal agencies' contracts • Higher government guarantees on surety bonds for construction and service contract bids 	Must be SBA certified, meeting following criteria: <ul style="list-style-type: none"> • Principal office located within a HUBZone • Company owned and controlled by one or more US citizens • At least 35% of employees live in HUBZone 	US Small Business Administration HUBZone Office (202) 205-8885 www.sba.gov/dc
8(a) Business Development Program	<ul style="list-style-type: none"> • Preferential consideration in federal contracting for socially and economically disadvantaged businesses 	<ul style="list-style-type: none"> • See Page 39 for details 	US Small Business Administration (202) 606-4000 www.sba.gov/dc
LSDBE Certification for District Contracting	<ul style="list-style-type: none"> • Certification of Local, Small, Disadvantaged Businesses Enterprises (LSDBEs) to receive preferences in contracting with District government 	<ul style="list-style-type: none"> • Company must be approved and certified by the Office of Local Business Development (OLBD) as an LBE, SBE or DBE (see explanation on Page 41) 	Office of Local Business Development (202) 727-3900 www.olbd.dc.gov

BUSINESS DEVELOPMENT PROGRAMS

Federal Government Programs

Business Development Programs

HUBZone Program

HUBZone (Historically Underutilized Business Zone) is a federal contracting program that provides contracting preferences to small businesses with HUBZone certification. To qualify as a HUBZone business, a company must meet the following criteria:

- ✓ A small business with principal office located within a HUBZone;
- ✓ Owned and controlled by one or more U.S. citizens; and
- ✓ At least 35% of its employees must reside in a HUBZone.

To find the location of a HUBZone or learn more about the HUBZone Program, please visit www.sba.gov/hubzone or call (202) 205-8885. The HUBZone Program is only for federal contracting consideration and locating in a HUBZone has no bearing on a company's contracting opportunities with the District Government (see LSDBE on page 41).

Online Resources

sba.gov/hubzone

The SBA administers two particular business assistance programs for small, socially and economically disadvantaged businesses. These programs are the 8(a) Business Development Program and the Small Disadvantaged Business (SDB) Certification Program.

8(a) Business Development Program

8(a) Business Development Program is a business development vehicle. New regulations permit 8(a) companies to form beneficial teaming partnerships and allow federal agencies to streamline the contracting process. New rules make it easier for non-minority firms to participate by proving their social disadvantage.

The new and improved 8(a) Program has become an essential instrument for helping socially and economically disadvantaged businesses gain access to the economic mainstream of American society. The SBA has helped thousands of aspiring entrepreneurs over the years to gain a foothold in government contracting.

SBA district offices monitor and measure the progress of participants through annual reviews, business planning, and systematic evaluations. 8(a) participants may take advantage of specialized business training, counseling, marketing assistance, and high-level executive development provided by the SBA and its resource partners. They may also be eligible for assistance in obtaining access to surplus government property and supplies, SBA-guaranteed loans, and bonding assistance. To apply, contact the local SBA district office serving your area. SBA representatives will answer general questions over the phone. The SBA's DC office can be reached at (202) 606-4000.

Benefits of the 8(a) Program

- Participants can receive sole-source contracts, up to a ceiling of \$3 million for goods and services and \$5 million for manufacturing. While SBA helps 8(a) firms build their competitive and institutional know-how, businesses are also encouraged to participate in competitive acquisition.
- Federal acquisition policies encourage federal agencies to award a certain percentage of their contracts to SBDs. To speed up the award process, the SBA has signed Memorandums of Understanding with 25 federal agencies allowing them to contract directly with certified 8(a) businesses.
- Recent changes permit 8(a) businesses to form joint ventures and teams to bid on contracts. This enhances the ability of 8(a) businesses to perform larger prime contracts and overcome the effects of contract bundling, the combining of two or more contracts together into one large contract.

Small Disadvantaged Business (SDB) Certification Program

While the 8(a) Program offers a broad scope of assistance to socially and economically disadvantaged firms, SDB certification strictly pertains to benefits in federal procurement. 8(a) businesses automatically qualify for SDB certification. To apply, contact the local SBA district office at (202) 606-4000 or visit www.sba.gov.

Benefits of SDB Certification

- Qualified SDBs receive a price evaluation adjustment of up to 10% on procurements where mandated by regulation. The price evaluation adjustment does not apply to 8(a) acquisitions and small business set asides.
- Qualified contractors can receive a credit when using SDBs as subcontractors.
- Once certified, firms remain on the SBA's list of SDB Certified firms for a period of three years.

Mentor-Protégé Program

The SBA also has implemented the new Mentor-Protégé Program to allow starting 8(a) companies to learn the ropes from experienced businesses. Its task is to teach 8(a) and other small companies how to compete in the federal contracting arena and how to take advantage of greater subcontracting opportunities available from large firms as the result of public-private partnerships.

DISTRICT GOVERNMENT PROGRAMS

Local, Small, Disadvantaged Business Enterprise (LSDBE) Certification

The LSDBE Program, administered by the Office of Local Business Development, establishes a 50% goal of the expendable budget for District agencies in contracting with small business enterprises and provides a 12-point preference system for local, small and disadvantaged business enterprises in all available areas of District Government contracting. Under this program, applicants are eligible for certification in the following classifications:

Local Business Enterprise (LBE) 4 Points

An LBE is a business whose principal office is located in the District of Columbia, licensed by the District and subject to District of Columbia taxes.

Financial Incentives for Doing Business in DC

Disadvantaged Business Enterprise (DBE) 3 Points

A DBE is a business that is operated, owned and controlled by an economically disadvantaged individual who owns at least 51% of the company's ownership and voting interest. For the purpose of this program, an economically disadvantaged person is a socially disadvantaged person whose ability to compete in the free enterprise system has been impaired due to diminished capital and business redlining (discriminated against by refusal to grant loans, leases, and insurance). Socially disadvantaged individuals are those who clearly demonstrate that they have reason to believe they have been subjected to prejudice or bias because of their identity as members of a group without regard to their qualities. To qualify, you must submit:

- ✓ A letter (signed and notarized in Washington, DC) that demonstrates historic, economic and social discrimination
- ✓ Personal income tax return
- ✓ Personal financial statement

Small Business Enterprise (SBE)

An SBE is a business that is independently owned, operated, and controlled and has had average annualized gross receipts, for three years preceding certification, between \$5 million and \$300 million based on industry type. Check with the Office of Local Business Development for more information.

Resident Business Owner (RBO) 3 Points

RBO certification is available for a business enterprise having its principal office in the District and the majority owner is a District resident.

Development Enterprise Zone (DEZ) 2 Points

Businesses located in a Enterprise Zone are eligible for this designation.

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Section 6

Business Insurance

OVERVIEW OF BUSINESS INSURANCE

There are three important types of business insurance of which every small business owner should be aware. They are general business liability insurance, workers compensation insurance, and bonds (performance and tender).

Generally, business owners elect to have business insurance to protect their business in the event of injury on their premises, loss of equipment or inventory, or for malpractice purposes.

Coverage applies to your legal liability caused by bodily injury, property damage, and personal injury or advertising injury resulting from your business operations. Coverage is usually provided up to a certain amount for each occurrence and for another amount per annual aggregate with higher limits available. The following liability coverage are usually also offered as part of a business insurance package: Limited Insured Contractual Agreements, Host Liquor Activities, Incidental Medical Malpractice, Newly Acquired Organizations up to 90 days, Non-Owned Auto, Non-Owned Watercraft under 26 feet, Owners and Contractors Protective, Property Damage Legal Liability and Products-Completed Operations.

Coverage can apply to medical expenses due to bodily injury to persons who are on your business premises and are accidentally injured. However, this type of insurance coverage does not pay for medical expense for any owner, employee, or for any persons injured on that part of the premises they normally occupy.

Building coverage may include: Buildings, appliances, building glass, floor coverings, garages, storage buildings, auxiliary buildings, pavements, pools, retaining walls, yard furniture, and maintenance and service equipment.

Business Personal Property coverage may include owned and leased: fixtures, merchandise, stock, and tenant improvements and betterments.



Workers Compensation Insurance

Workers Compensation Insurance protects business owners from possible financial ruin if an employee is injured on the job. In addition, it helps injured employees return to work quickly with little or no loss of income. Each state sets its own workers compensation benefits and laws. In general, workers compensation insurance provides:

- ✓ Legal protection for you, the employer.
- ✓ Income, medical, and rehabilitation benefits for employee work-related injuries and illnesses.
- ✓ Payment to surviving family members if an employee suffers a fatal accident on the job.
- ✓ Employer's liability insurance including damages for which you are liable to a third party, for care and loss services, for consequential bodily injury to a family member.

The Office of Workers' Compensation processes claims and monitors the payment of benefits to injured private-sector employees in the District of Columbia. The program mediates disputes, monitors employer compliance and administers the Special Fund, which provides benefits in cases of uninjured employers or in situations where an injury combines with a pre-existing disability and causes a greater disability. The Office of Workers' Compensation also approves lump-sum settlements, assesses penalties and fines for non-compliance and monitors vocational rehabilitation. For more information, contact the Office of Workers' Compensation Labor Standards Bureau at 64 New York Avenue, NE, 2nd Floor, Washington, DC 20002 or call (202) 671-1000.

Bonding

There are two general types of bonds available for small businesses. They are Bid or Tender Bonds and Performance Bonds. It is common business practice when tendering for large capital projects for the tender to be supported by a Bid Bond. Most capital works projects put out to tender require the successful tenderer to lodge a Performance Bond after being awarded the contract.



Bid or Tender Bonds

The Bid Bond is an indication of your company's ability to carry out the work for which is being tendered. Bid Bonds are sought by the contracting party to provide a financial undertaking, should the successful tenderer fail to proceed with the contract for any reason. It is also used as a financial fall-back in the event the successful contracting party is unable to carry out any part of the tender as submitted and it becomes necessary to place the project, or part of it, out for tender again.

Benefits

- ✓ Demonstrates to the contracting party that the tenderer is a reliable, capable business.
- ✓ Indicates that the tender is genuine with a firm commitment to the project.
- ✓ Secures payment for the beneficiary (the contracting party) of the guaranteed amount in the event of:
 - withdrawal of offer before its expiry date
 - repudiation of the contract by the tenderer after being awarded
 - failure of the successful tenderer to provide a replacement

Performance Bond

Performance Bonds

Most capital works projects put out to tender require the successful tenderer to lodge a Performance Bond after being awarded the contract. The Performance Bond is an indication that your company has the necessary skills and capabilities to carry out the required work and comply with the agreed terms and conditions of the contract.

Benefits

- ✓ Demonstrates to the contracting party that the tenderer has the required skills and financial strength to complete the contract.
- ✓ Provides support to your contract.
- ✓ Secures payment for the beneficiary (the contracting party) in the event the contract is not fulfilled.

RESOURCE CENTERS

District of Columbia Government Agencies

Business Resource Center

The Business Resource Center (BRC) is an online clearinghouse for the District's business community. It has comprehensive information for business start-ups and existing businesses, as well as links to other business resources within the Government of the District of Columbia. Common tasks associated with doing business, such as paying taxes, obtaining business license information and registering a business trade name can be performed from this central location. To subscribe to the free DCBRC Alert newsletter, please visit www.brc.dc.gov.

Enhanced Business Information Center

Located in the Martin Luther King, Jr. Memorial Library of Washington, DC, the Enhanced Business Information Center, or e-BIC, is a resource center for small business entrepreneurs to get expert answers on District Government services and regulations. Staff from the DC Department of Consumer and Regulatory Affairs (DCRA) and the Office of Local Business Development (OLBD) hold regular office hours at the e-BIC to answer questions regarding licensing and regulations for DC businesses and applying for LSDBE (Local, Small, Disadvantaged Business Enterprise) certification. Please call (202) 727-2241 to set up an appointment. The e-BIC hours are from 9:30 a.m. to 5:00 p.m., Monday through Friday. Walk-in clients are welcome. For more information, visit the e-BIC web site at www.dclibrary.org/ebic.

Department of Banking and Financial Institutions

The Department of Banking and Financial Institutions (DBFI), created in 1986, is the regulatory authority for financial institutions operating in the District of Columbia in all respects permitted by law. DBFI is charged with chartering and regulating banks, savings banks, trust companies and other financial institutions seeking to establish an office in the District where deposits or savings are received.

The DBFI also regulates mortgage lenders and brokers, check cashers, money transmitters, consumer sales finance companies, money lenders and consumer credit service organizations that operate in the District.

DBFI has information on local small business lenders. You may contact DBFI at (202) 727-1563 for profiles of certain lenders.

Section 7

Business Resources

Online Resources

brc.dc.gov

dclibrary.org/ebic

dbfi.dc.gov

Online Resources

ocp.dc.gov

olbd.dc.gov

does.dc.gov

Office of Contracting and Procurement

The DC Office of Contracting and Procurement (OCP) provides contracting services to over 60 District agencies so they can deliver quality goods and services in a timely and cost-effective manner. Vendors are invited to use the Online Vendor Registration, view solicitations, contract awards and business requirements through the OCP web site at www.ocp.dc.gov or by visiting the offices at 441 4th Street, NW, Suite 700S. Bids may be left at this location or, when appropriate, at the OCP location at the Department of Public Works at 2000 14th Street, NW.

Office of Local Business Development

The mission of the Office of Local Business Development (OLBD) is to process applicants into the local, small, disadvantaged business enterprise (LSDBE) program to foster economic growth and job creation in the District of Columbia. The OLBD advocates for inclusion of LSDBEs in contracting opportunities with District Government agencies and private-sector partners. The OLBD also monitors compliance with LSDBE goals. For more information, visit the Office of Local Business Development web site at www.olbd.dc.gov or call (202) 727-3900.

Department of Employment Services

The Department of Employment Services has a One-Stop Business Resource Center for employers and small business owners to encourage job creation and economic growth in the District. Their services include, but are not limited to:

- ✓ Incubator space providing basic office services and equipment
- ✓ Technology support services
- ✓ Meeting space
- ✓ Assistance with financing and marketing
- ✓ Computers and audiovisual equipment

For more information, contact the Business Resource Development Director at (202) 671-2144 or visit www.does.dc.gov.

Non-governmental Organizations

Washington, DC Marketing Center

The Washington, DC Marketing Center is a public/private partnership with the mission of facilitating economic development to contribute to business retention and attraction in the District of Columbia. The Center is your confidential first point of contact for doing business in Washington, DC. Services provided by the Center include:

- ✓ Information on financial incentives for businesses
- ✓ Site location assistance
- ✓ Information on the District's development dynamic, projects, and opportunities
- ✓ Demographic information on DC neighborhoods
- ✓ Market information on the key industries/core economies of DC
- ✓ DC Business Connections company visit for business retention

For more information about the Washington, DC Marketing Center and its services please go to www.dcmarketingcenter.com or call (202) 638-7333.

District of Columbia Chamber of Commerce

The District of Columbia Chamber of Commerce is the premier advocate for business in Washington, DC. Since 1938, the Chamber has nurtured business creation and expansion throughout the city. Its 1,400 members include small and large local and international businesses and associations. The Chamber's primary functions include:

- ✓ Improve the climate for business in the District
- ✓ Assist businesses in succeeding through education, information, and outreach
- ✓ Provide networking and procurement opportunities
- ✓ Reduce the cost of doing business through regulatory reform
- ✓ Advocate for changes in federal and local laws that impact business growth and development in the District

For more information about the District of Columbia Chamber of Commerce and its services, please go to www.dcchamber.org or call (202) 347-7201.

Online Resources

dcmarketingcenter.com

dcchamber.org

Online Resources

brc.dc.gov/gabrc

scoredc.org

Georgia Avenue Business Resource Center

The Georgia Avenue Business Resource Center is an initiative of the DC Chamber of Commerce and a strategic partner of the Washington, DC Marketing Center in small business development. The purpose of the Center is to level the playing field for neighborhood-based businesses in the District. In many cases, a lack of access to capital, technical assistance, federal and local government programs and business counseling has pushed many small business owners out. The Center provides the following services to business owners free of charge:

- ✓ Personal assistance with business and marketing plans, research, and business location and seminars on various business related topics.
- ✓ Access to Capital Program, which provides business owners access to banking officials, referrals to loan programs and assistance with grant and loan application review.
- ✓ Technical assistance to business owners through graduate students in the Master of Business Administration programs who work within a class construct.
- ✓ Verizon Small Business Technology Learning Center complete with entrepreneurial start-up guides, and a computer lab equipped with Internet access, and business planning software.

Contact: (202) 545-0220, www.brc.dc.gov/gabrc.

Service Corps of Retired Executives (SCORE)

The Service Corps of Retired Executives (SCORE) is a nationwide non-profit volunteer association of over 11,500 retired and active small business owners, executives, and professionals. As a resource partner of the U.S. SBA, it provides free counseling and low-cost workshops to small businesses. The Washington, DC Chapter has over 46 members experienced in owning and operating both small and large businesses in almost every field. Call (202) 606-4000 x287 for an appointment or visit SCORE online at www.scoredc.org.

DC Public Library (The Martin Luther King, Jr. Memorial Library)

The MLK Public Library has business reference librarians and resources for starting and running a business. For more information, please go to www.dclibrary.org.

Washington, DC Small Business Development Center (DCSBDC) Network

The Small Business Development Center (DCSBDC) Network promotes the growth, expansion, innovation, and increased productivity of small business owners in the Washington, DC metropolitan area. Opportunities for small business success are enhanced through the delivery of training and counseling services and strategic alliances with organizations and individuals in the field of entrepreneurship.

Throughout the year, DCSBDC Network conducts affordable training courses designed for small business owners and managers in the following areas: business planning, management of a small business, accounting and financial systems development, marketing, 8(a) certification, international business, and more.

Counseling is provided on a pre-scheduled appointment basis. To schedule an appointment or obtain information about upcoming training courses and events, please contact the Lead Center at Howard University at (202) 806-1550 or www.bschool.howard.edu/SBDC.

Washington, DC Technology Council

The Washington, DC Technology Council is a membership organization of technology, associate, and affiliate companies. The Council holds networking and informative events in four areas of focus: Capital Formation, Workforce Development, Business Development and Technology Policy. The DC Tech Council is also a premier networking venue for DC's tech companies. Contact: (202) 637-9333 or www.dctechcouncil.org.

Online Resources

dclibrary.org

www.bschool.howard.edu/sbdc

dctechcouncil.org

Neighborhood Resources

Online Resources

bot.org

restore.dc.gov

The Greater Washington Board of Trade's Small Business Partnership The Small Business Partnership (CBP) provides time-based training and business development opportunities for small companies. The SBP helps small businesses grow their client base by connecting them with large Board of Trade members. If you would like more information about the Small Business Partnership, please contact the Board of Trade at (202) 857-5934 or www.bot.org/html/sbp.asp.

DC Main Streets (Part of reSTORE DC Program)

The DC Main Streets program consists of a comprehensive package of technical and financial assistance for neighborhood business districts. The goal is to establish and implement a continuous and comprehensive revitalization program in a range of local neighborhood business districts. For more information regarding a specific neighborhood designee, please contact the reSTORE DC Program Office at (202) 727-5208 or visit www.restore.dc.gov.

DC Main Street Programs

14th and U Main Street
(202) 550-0769

Anacostia Main Street
(202) 889-5100

14th Street Heights Main Street
(202) 291-5939

Brookland Main Street
(202) 526-4848

North Capitol Main Street

Dupont Circle Main Street
(202) 234-8939

H Street Main Street

GATEWAY-Georgia Avenue Main Street
(202) 291-2400

Barracks Row Main Street
(202) 544-3188

Mount Pleasant Main Street
(202) 588-5272

Adams Morgan Main Street
(202) 667-1052

Shaw Main Streets
(202) 232-2915 ext 109

Business Improvement Districts (BIDs)

Business Improvement Districts are the commercial neighborhoods where property owners tax themselves to make their community cleaner, safer and more vibrant. The tax is used by the BIDs for services and capital improvements that supplement those provided by the city. The BIDs work to enhance DC's commercial districts in many areas including public safety, parking and transportation management, streetscape, marketing and promotion.

The Capitol Hill Business Improvement District (Capitol Hill BID)

The newly established Capitol Hill BID is a 501(c)(6) non-profit organization that works to make the Capitol Hill area a cleaner and safer place to live, work and conduct business. Patrolling 81 blocks of the Business Improvement District by foot and bicycle, the STARS of the Capital Hill BID provide pedestrian and visitor information, merchant visits, vehicular assistance, homeless outreach and act as the eyes and ears for the police department. Contact: (202) 842-3333, www.capitolhill.org.

The Downtown DC Business Improvement District (Downtown BID)

The Downtown BID encompasses a 126-block neighborhood in the east end of the District's Central Business District. It provides a range of enhanced management programs including safety, maintenance, marketing, physical improvements, transportation and homeless services to improve the environment and help retain, expand and attract businesses and investment. Dressed in bright red attire, the downtown SAM teams are considered a moving concierge service that provide maintenance services and information. Contact: (202) 638-3232, www.downtowndc.org.

The Georgetown Partnership

The Georgetown Partnership measures approximately 35 linear blocks, virtually all of the commercial property in Georgetown. The Partnership provides transportation and parking management services as well as street service programs to Georgetown businesses. Contact: (202) 298-9222, www.georgetowndc.com/bid.

Golden Triangle Business Improvement District (Golden Triangle BID)

The Golden Triangle BID is a 38-block area encompassing the western section of the District's Central Business District and representing approximately 6,000 businesses. The Golden Triangle BID supplements District of Columbia services by providing maintenance, hospitality, public safety, promotional programs, as well as capital improvements and advocacy. The BID's Ambassador Program, comprised of hospitality and maintenance Ambassadors, provide supplemental services to create a clean, safe and friendly environment. Contact: (202) 463-3400, www.gtbid.com.

Online Resources

capitalhill.org

downtowndc.org

georgetowndc.com/bid

gtbid.com

DISTRICT OF COLUMBIA GOVERNMENT AGENCIES (SELECTED)

dc.gov

District Government Hotline

(202) 727-1000

The following agencies fall under the jurisdiction of the Office of the Deputy Mayor for Planning and Economic Development.

dbfi.dc.gov

Department of Banking and Financial Institutions (DBFI)

(202) 727-1563

1400 L Street, NW, Suite 400
Washington, DC 20005

dcra.dc.gov

Department of Consumer and Regulatory Affairs (DCRA)

(202) 442-4400

941 North Capitol Street, NE
Washington, DC 20002

Business Center	1 st Floor	(202) 442-4311
Permit Center	2 nd Floor	(202) 442-4470
Building Inspection Division	2 nd Floor	(202) 442-4500
Building and Land Regulation Administration	2 nd Floor	(202) 442-4460
Business and Professional Licensing Administration	7 th Floor	(202) 442-4450
Corporations Division	7 th Floor	(202) 442-4432
Historic Preservation Division	2 nd Floor	(202) 442-4570
Housing Regulation Admin.	7 th Floor	(202) 442-4600
Housing Services Center	7 th Floor	(202) 442-4600
Occupations and Professional Licensing Division	7 th Floor	(202) 442-4320
Office of Adjudication	9 th Floor	(202) 442-8167
Zoning Division	2 nd Floor	(202) 442-4560

does.dc.gov

Department of Employment Services (DOES)

(202) 724-7000

64 New York Avenue, NE, 3rd Floor
Washington, DC 20002

dhcd.dc.gov

Department of Housing and Community Development (DHCD)

(202) 442-7241

801 North Capitol Street, NE, 8th Floor
Washington, DC 20002

abra.dc.gov

Alcoholic Beverage Regulation Administration (ABRA)

(202) 442-4423

941 North Capitol Street, NE, Suite 7200
Washington, DC 20002

Quick Reference

DC Main Streets (Part of reSTORE DC Program)

801 North Capitol Street, NE
Washington, DC 20002

(202) 727-5208

restore.dc.gov

Office of Enterprise Zone and Revenue Bond Program

1350 Pennsylvania Avenue, NW, Suite 317
Washington, DC 20004

(202) 727-6365

dcbiz.dc.gov

Office of Local Business Development (OLBD)

441 4th Street, NW, Suite 970 North
Washington, DC 20001

(202) 727-3900

olbd.dc.gov

Office of Unemployment Compensation Tax Division

Department of Employment Services
609 H Street, NE, Room 353
Washington, DC 20002

(202) 698-7550

does.dc.gov

State Data Center (Office of Planning)

801 North Capitol Street, NE
Washington, DC 20002

(202) 442-7603

dclibrary.org/sdc

Office of Planning

801 North Capitol Street, NE, Suite 4000
Washington, DC 20002

(202) 442-7600

planning.dc.gov

Office of Contracting and Procurement (OCP)

441 4th Street, NW, Suite 700 South
Washington, DC 20002

(202) 727-0252

ocp.dc.gov

Office of Tax and Revenue (OTR)

Customer Service Center
941 North Capitol Street, NE, 1st Floor
Washington, DC 20002

(202) 727- 4TAX

cfo.dc.gov

Metropolitan Police Department (MPD)

300 Indiana Avenue, NW
Washington, DC 20001

(202) 727-4218

mpdc.dc.gov

FEDERAL GOVERNMENT AGENCIES

hud.gov**U.S. Department of Housing and Urban Development****(202) 708-1112**451 7th Street, SW
Washington, DC 20410irs.gov**U.S. Internal Revenue Service****(202) 874-6748**500 North Capitol Street, NW
Washington, DC 20221www.ssa.gov**Social Security Administration Offices****(800) 772-1213**Windsor Park Building
6401 Security Boulevard
Baltimore, MD 21235dclibrary.org/ebic**Enhanced Business Information Center (e-BIC)****(202) 606-4000 x266**Martin Luther King, Jr. Library
901 G Street, NW
Washington, DC 20001scoredc.org**SBA's SCORE Program****(202) 606-4000 x287**1110 Vermont Avenue, NW, 9th Floor
Washington, DC 20005

SMALL BUSINESS DEVELOPMENT CENTERS

**Washington, DC Small Business Development Centers
(DCSBDC)**www.bschoool.howard.edu/SBDC**DCSBDC at Howard University (Lead Office)****(202) 806-1550**2600 6th Street, NW, Room 128
Washington, DC 20059**DCSBDC at AEDC****(202) 889-9508**Southeastern University
2021 MLK Ave., SE
Washington, DC 20020**DCSBDC at Center for Urban Progress****(202) 671-2828**2000 14th Street, NW, Suite 333 North
Washington, DC 20002
(This location also provides services in Spanish.)

Quick Reference

Georgia Avenue Business Resource Center

7408 Georgia Avenue, NW
Washington, DC 20012

(202) 545-0220

brc.dc.gov/gabrc

Howard University (see DCSBDC Network)

(202) 806-1550

George Washington University Small Business Clinic

2000 G Street, NW
Washington, DC 20052
(appointments only)

(202) 994-7463

law.gwu.edu

NCRC Minority Business Resource Center

64 New York Avenue, NE, 3rd Floor
Washington, DC 20002

(202) 671-5152

does.dc.gov

Women's Business Center

1001 Connecticut Avenue, NW, Suite 312
Washington, DC 20036

(202) 785-4922

womensbusinesscenter.org

GENERAL BUSINESS SUPPORT RESOURCES

DC Chamber of Commerce

1213 K Street, NW
Washington, DC 20005

(202) 347-7201

dcchamber.org

Greater Washington Board of Trade

1129 20th Street NW, Suite 200
Washington, DC 20036

(202) 857-5900

bot.org

Greater Washington Initiative (GWI)

1129 20th Street, NW, Suite 200
Washington, DC 20036

(202) 857-5999

greaterwashington.org

Greater Washington Ibero American Chamber of Commerce

1710 K Street, NW, Suite 301
Washington, DC 20006

(202) 728-0352

iberochamber.org

National Association of Minority Contractors

666 11th Street, NW Suite 520
Washington, DC 20001

(202) 347-8259

namcline.org

National Capital Revitalization Corporation (NCRC)

1801 K Street, NW, Suite 1210
Washington, DC 20006

(202) 530-5750

ncrcdc.com

section

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dcbia.org

Washington, DC Building Industry Association (DCBIA)

(202) 966-8665

5100 Wisconsin Avenue, NW, Suite 301
Washington, DC 20016

dcmarketingcenter.com

Washington, DC Marketing Center

(202) 638-7333

1213 K Street, NW, 1st Floor
Washington, DC 20005

dctechcouncil.org

Washington DC Technology Council, Inc.

(202) 637-9333

1401 New York Ave, NW, Suite 600
Washington, DC 20005

mybbb.org

Washington Area Better Business Bureau

(202) 393-8000

1411 K Street, NW, Suite 1000
Washington, DC 20005

Export/Import Service

bx.doc.gov

U.S. Bureau of Export Administration

(202) 482-4811

14th and Pennsylvania Avenue, NW, Room 2705
Washington, DC 20230

Office of International Business Development

(202) 332-5137

2300 M Street, NW, Suite 800
Washington, DC 20037

Franchise

franchise.org

International Franchise Association

(202) 628-8000

1350 New York Avenue, NW, Suite 900
Washington, DC 20005

Legal Clinics

law.gwu.edu

Small Business Clinic, National Law Center GW University

(202) 994-7463

2000 G Street, NW
Washington, DC 20052

law.udc.edu

University of District of Columbia Law School

(202) 274-7363

4700 Connecticut Avenue, NW
Washington, DC 20008



Non-profit Assistance

Washington Council of Agencies

1666 K Street NW, Suite 440

Washington, DC 20006

(202) 457-0540

wcanon-profits.org

The Foundation Center

1627 K Street, NW

Washington, DC 20006

(202) 331-1400

foundationcenter.org

Greater Washington Society of Association Executives

Ronald Reagan Building and International Trade Center

1300 Pennsylvania Avenue, NW

Washington, DC 20004

(202) 326-9500

gwsae.org

NEIGHBORHOOD RESOURCES

Business Improvement Districts (BIDs)

Downtown DC Business Improvement District

1250 H Street, NW, Suite 1000

Washington, DC 20005

(202) 638-3232

downtowndc.org

Golden Triangle Business Improvement District

1025 Connecticut Avenue, NW, Suite 416

Washington, DC 20036

(202) 463-3400

gtbid.com

Georgetown Partnership

1055 Thomas Jefferson Street, NW, Suite L-11

Washington, DC 20007

(202) 298-9222

georgetowndc.com/bid

Capitol Hill Business Improvement District

301 Massachusetts Avenue, NE

Washington, DC 20002

(202) 842-3333

capitolhillbid.org



Community Development Corporations (CDCs)

The following is a partial listing of CDCs, for a complete listing, please visit: www.brc.dc.gov, under "Community Development"

anacostiadc.com

Anacostia Economic Development Corporation

(202) 889-5100

2019 Martin Luther King Jr. Avenue, SE
Washington, DC 20020

dcch.org

Development Corporation of Columbia Heights

(202) 483-4986

3419 14th Street, NW
Washington, DC 20010

ercdc.org

East of The River Community Development Corporation

(202) 561-4974

3029 Martin Luther King, Jr. Avenue, SE, 3rd Floor
Washington, DC 20032

hstreetcdc.org

H Street Community Development Corporation

(202) 544-8353

501 H Street, NE
Washington, DC 20002

ledcdc.org

Latino Economic Development Corporation

(202) 588-5102

2316 18th Street, NW
Washington, DC 20009

mhcdco.org

Marshall Heights Community Development Organization

(202) 396-1200

3939 Benning Road, NE
Washington, DC 20019

ncnd.org

North Capitol Neighborhood Development, Inc.

(202) 483-2100

1330 N Capitol Street, NW
Washington, DC 20001

piccdc.com

People's Involvement Corporation

(202) 797-3900

2146 Georgia Avenue, NW
Washington, DC 20001

mannadc.org

MANNA Community Development Corporation

(202) 832-1845

614 S Street, NW
Washington, DC 20001



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District of Columbia Office of the Deputy Mayor for Planning and Economic Development

District of Columbia Business Resource Center

District of Columbia Department of Consumer and Regulatory Affairs

Washington, DC Small Business Development Center

The Business Improvement Districts (Downtown, Georgetown, Golden Triangle, Capital Hill)

The Greater Washington Board of Trade

The Washington, DC Technology Council

U.S. Internal Revenue Service

U.S. Small Business Administration

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Notes

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www.dcmarketingcenter.com



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Georgia Avenue Business Resource Center
7408 Georgia Avenue, NW
Washington, DC 20012
Phone: (202) 545-0220
Fax: (202) 545-0227

www.brc.dc.gov/gabrc